

CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 06-63

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 39 (SW HILL VIEW STREET, 102ND AVENUE)

WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 39 (SW Hill View Street, 102nd Avenue) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

- SECTION 1 The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 39," attached hereto as Exhibit A, is hereby approved.
- SECTION 2 A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described in Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 39, SW Hill View Street, 102nd Avenue."
- SECTION 3 Payment of the reimbursement fee, as shown in Exhibit A, is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.
- SECTION 4 An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.
- SECTION 5 The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

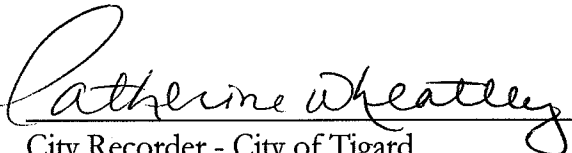
SECTION 6 This resolution is effective immediately upon passage.

PASSED: This 10th day of October 2006.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard

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Exhibit A
City Engineer's Report
Sanitary Sewer Reimbursement District No. 39
(SW Hill View Street, 102nd Avenue)

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,735, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

Serving the seven lots in the following table will require the extension of an existing sewer in SW Hill View Street west to 102nd Avenue. The house at 13995 SW 102nd is proposed to be included in the district although it could be served from an existing line in SW McDonald Street. After meeting with City staff, the owner has determined that a connection provided by the proposed district is more advantageous than connecting to the line in SW McDonald.

The proposed project would provide sewer service to a total of seven lots as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the seven lots is \$206,343. Engineering and inspection fees amount to \$27,856 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$234,200. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,735, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in the proposed district are zoned R-3.5 but vary in lot size from about sixteen thousand to twenty thousand square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$1.83956756 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

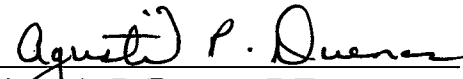
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted September 26, 2006


Agustin P. Duenas, P.E.
City Engineer

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CITY OF TIGARD, OREGON

RESOLUTION NO. 01-46

A RESOLUTION REPEALING RESOLUTION NO. 98-51 AND ESTABLISHING A REVISED AND ENHANCED NEIGHBORHOOD SEWER REIMBURSEMENT DISTRICT INCENTIVE PROGRAM

WHEREAS, the City Council has initiated the Neighborhood Sewer Extension Program to extend public sewers through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, on October 13, 1998, the City Council established The Neighborhood Sewer Reimbursement District Incentive Program through Resolution No. 98-51 to encourage owners to connect to public sewer. The program was offered for a two-year period after which the program would be evaluated for continuation; and

WHEREAS, on September 26, 2000, the City Council extended The Neighborhood Sewer Reimbursement District Incentive Program an additional two years through Resolution No. 00-60; and

WHEREAS, City Council finds that residential areas that remain without sewer service should be provided with service within five years; and

WHEREAS, Council has directed that additional incentives should be made available to encourage owners to promptly connect to sewers once service is available and that owners who have paid for service provided by previously established districts of the Neighborhood Sewer Extension Program should receive the benefits of the additional incentives.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Resolution No. 98-51 establishing the Neighborhood Sewer Reimbursement District Incentive Program is hereby repealed.

SECTION 2: A revised incentive program is hereby established for the Neighborhood Sewer Extension Program. This incentive program shall apply to sewer connections provided through the sewer reimbursement districts shown on the attached Table 1 or established thereafter. All connections qualifying under this program must be completed within **three years** after Council approval of the final City Engineer's Report following a public hearing conducted in accordance with TMC Section 13.09.105 or by **two years** from the date this resolution is passed, whichever is later, as shown on the attached Table 1.

SECTION 3: To the extent that the reimbursement fee determined in accordance with Section 13.09.040 does not exceed \$15,000, the amount to be reimbursed by an owner of a lot zoned single family residential shall not exceed \$6,000 per connection, provided that the lot owner complies with the provisions of Section 2. Any amount over \$15,000 shall be reimbursed by the owner. This applies only to the reimbursement fee for the sewer installation and not to the connection fee, which is still payable upon application for

sewer connection.

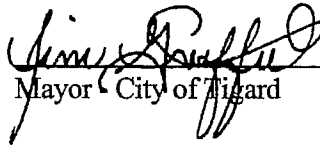
SECTION 4: The City Engineer's Report required by TMC Chapter 13.09 shall apply the provisions of this incentive program. Residential lot owners who do not connect to sewer in accordance with Section 2 shall pay the full reimbursement amount as determined by the final City Engineer's Report.

SECTION 5: Any person who has paid a reimbursement fee in excess of the fee required herein is entitled to reimbursement from the City. The amounts to be reimbursed and the persons to be paid shall be determined by the Finance Director and approved by the City Manager. There shall be a full explanation of any circumstances that require payment to any person who is not an original payer. The Finance Director shall make payment to all persons entitled to the refund no later than August 31, 2001.

SECTION 6: The Sanitary Sewer Fund, which is the funding source for the Neighborhood Sewer Reimbursement District Program, shall provide the funding for the installation costs over \$6,000 up to a maximum of \$15,000 per connection.

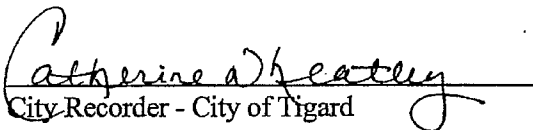
EFFECTIVE DATE: July 10, 2001

PASSED: This 10th day of July 2001.



Mayor City of Tigard

ATTEST:



City Recorder - City of Tigard

I:\Citywide\Res\Resolution Revising the Neighborhood Sewer Incentive Program

CITY OF TIGARD, OREGON

RESOLUTION NO. 03- 55**A RESOLUTION PROVIDING ADDITIONAL INCENTIVES TO THE NEIGHBORHOOD SEWER REIMBURSEMENT DISTRICT INCENTIVE PROGRAM (RESOLUTION NO. 01 – 46).**

WHEREAS, the City Council has initiated the Neighborhood Sewer Extension Program to extend public sewers through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, on July 10, 2001, the City Council established the Revised and Enhanced Neighborhood Sewer Reimbursement District Incentive Program through Resolution No. 01-46 to encourage owners to connect to public sewer within three-years following construction of sewers; and

WHEREAS, Council has directed that additional incentives should be made available to encourage owners of large lots to promptly connect to sewers once service is available.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

- SECTION 1:** In addition to the incentives provided by Resolution No. 01-46, any person whose reimbursement fee exceeds \$15,000 and wishes to connect a single family home or duplex to a sewer constructed through a reimbursement district may defer payment of the portion of the reimbursement fee that exceeds \$15,000, as required by Section 3 of Resolution No. 01-46, until the lot is partitioned or otherwise developed in accordance with a land use permit. The land use permit shall not be issued until payment of the deferred amount is made. The Annual Fee Adjustment required by TMC Section 13.09.115 shall not apply to payment of this deferred amount.
- SECTION 2:** Lots that qualify under Section 1, within reimbursement districts that have exceeded the three-year period for connection, and have not connected to sewer can connect the existing structure, pay a reimbursement fee of \$6,000, and defer payment of the portion of the reimbursement fee that exceeds \$15,000 if connection to the sewer is completed within one year after the effective date of this resolution.
- SECTION 3:** Vacant lots improved with a single family home or duplex during the term of the reimbursement district shall qualify for the provisions of Resolution No. 01-46, pay \$6,000 if the fee exceeds that amount, and may defer payment of the portion of the reimbursement fee that exceeds \$15,000 as provided by Section 1.
- SECTION 4:** Vacant lots that are partitioned, subdivided, or otherwise developed during the life of the reimbursement district shall qualify for the provisions of Resolution No. 01-46, shall pay a reimbursement fee of \$6,000, and shall pay any amount due over \$15,000 at the time of development. The Annual Fee Adjustment required by TMC Section 13.09.115 shall not apply to payments made under this section.
- SECTION 5:** The owner of any lot for which deferred payment is requested must enter into an agreement with the City, on a form prepared by the City Engineer, acknowledging the

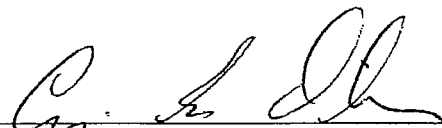
owner's and owner's successors obligation to pay the deferred amount as described in Section 1. The City Recorder shall cause the agreement to be filed in the office of the County Recorder to provide notice to potential purchasers of the lot. The recording will not create a lien. Failure to make such a recording shall not affect the obligation to pay the deferred amount.

SECTION 6: Any person who qualifies under Section 1 and has paid a reimbursement fee for the portion of the reimbursement fee in excess of \$15,000 is entitled to reimbursement for that amount from the City upon request. The amounts to be reimbursed and the persons to be paid shall be determined by the Finance Director and approved by the City Manager. There shall be a full explanation of any circumstances that require payment to any person who is not an original payer. Any person requesting a refund must sign an agreement similar to that described in Section 5 acknowledging the obligation to pay the refunded amount upon partitioning or developing the lot.

SECTION 7: The Sanitary Sewer Fund continues to remain the funding source for the Neighborhood Sewer Reimbursement District Program and shall provide the funding for the installation costs over \$6,000 up to a maximum of \$15,000 per connection and for any deferred payment permitted by this resolution.

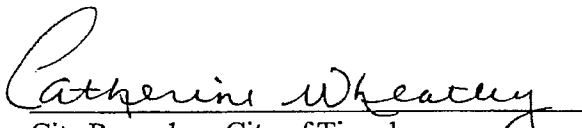
SECTION 8: This resolution is effective immediately upon passage.

PASSED: This 14th day of October 2003.



~~Mayor - City of Tigard~~
Craig E. Dirksen, Council President

ATTEST:



Catherine Wheatley
City Recorder - City of Tigard

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HILL VIEW STREET
& 102ND AVENUE
FY 2006-07 SANITARY
SEWER EXTENSION PROGRAM
REIMBURSEMENT DISTRICT NO. 39
A PORTION OF THE SW 1/4
SECTION 2 T2S R1W W.M.

NOTE:
All properties in the
reimbursement district
are zoned R3.5

